

| No. |
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RESOLUTION

AMENDING THE CITY AND COUNTY OF HONOLULU FUEL TAX.

WHEREAS, Hawaii Revised Statutes ("HRS") Section 243-5 authorizes the council of each county to determine the amount of the county's fuel tax by resolution; and

WHEREAS, HRS Section 243-5 provides that "the amount fixed by the resolution may be, per gallon, one or more cents or a fraction of a cent or both, or it may be zero"; and

WHEREAS, HRS Section 243-5 also provides that no such resolution may be adopted until the council conducts a public hearing on the amount of the proposed tax; and

WHEREAS, the notice of such public hearing must be given in the county at least twice within a period of 30 days immediately preceding the date of the hearing; and

WHEREAS, HRS Section 243-5 further provides that if such resolution is adopted, it takes effect on the first day of the second month following the date of adoption of the resolution; and

WHEREAS, HRS Section 243-6 provides that the City and County of Honolulu ("City") fuel tax must be deposited into the City's highway fund and according to HRS 249-18, the City's highway fund may be used for: public roads and highways projects, street lighting projects, traffic control and preservation of safety, interest on bonds issued to finance highway and street projects, up to \$500,000 for the police department, and mass transit: and

WHEREAS, the City's fuel tax rate was last set by Resolution 02-55, which established the tax rate for biodiesel fuel and mixtures containing 20 percent or more of biodiesel with diesel or other fuels at eight and one-fourth (81/4) cents per gallon and the rate for all other liquid fuels at sixteen and one-half (161/2) cents per gallon; and

WHEREAS, the City Council, after considering the various and numerous highway and other transportation needs and improvements to be made within the City, believes that it is necessary to amend the City fuel tax rate for liquid fuels; now, therefore,



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RESOLUTION

BE IT RESOLVED by the Council of the City and County of Honolulu that it hereby sets the City and County of Honolulu fuel tax for biodiesel fuel and mixtures containing 20 percent or more of biodiesel with diesel or other fuels at eight and one-fourth (8½) cents per gallon and the rate for all other liquid fuels at twenty (20) cents per gallon starting from "the first day of the second month after the date of adoption" of this resolution as prescribed in HRS Section 243-5; and

BE IT FINALLY RESOLVED that copies of this resolution be transmitted to the State Director of Taxation, the State Director of Finance, the Mayor, and the Director of Budget and Fiscal Services.

| | INTRODUCED BY: |
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| DATE OF INTRODUCTION: | |
| FEB 2 8 2017 | |
| Honolulu, Hawaii | Councilmembers |